

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY )	
KENTUCKY, INC., FOR: 1) AN ADJUSTMENT OF )	
THE ELECTRIC RATES; 2) APPROVAL OF AN )	CASE NO.
ENVIRONMENTAL COMPLIANCE PLAN AND )	2017-00321
SURCHARGE MECHANISM; 3) APPROVAL OF )	
NEW TARIFFS; 4) APPROVAL OF ACCOUNTING )	
PRACTICES TO ESTABLISH REGULATORY )	
ASSETS AND LIABILITIES; AND 5) ALL OTHER )	
REQUIRED APPROVALS AND RELIEF )	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION  
TO KENTUCKY SCHOOL BOARDS ASSOCIATION

Kentucky School Boards Association ("KSBA"), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium and an electronic version of its responses to the following information, with a copy to all parties of record. The information requested herein is due on or before January 31, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

KSBA shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which KSBA fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, KSBA shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Testimony of Ronald L. Willhite (“Willhite Testimony”), page 4, lines 2–9 and the chart at the top of the page. State whether it is Mr. Willhite’s testimony that the schools represented by KSBA were not in session during the system peak experienced by Duke Energy Kentucky, Inc. (“Duke Kentucky”) during the years 2013-2017. If not, explain.

2. Refer to the Willhite Testimony, page 5, lines 16–19. Confirm that Duke Kentucky does not provide Tariff L.G.S.

3. Refer to the Willhite Testimony, page 6, lines 36–40. Explain how each of the types of businesses listed “pose more uncertainty with regard to consistency of load.”

4. Refer to the Willhite Testimony, page 7.

a. Provide by rate class the total number of schools represented by KSBA which take electric service from Duke Kentucky.

b. State the number of schools that Mr. Willhite removed from the DS rate class and set up as a separate class in his cost of service study (“COSS”).

c. Provide Mr. Willhite’s COSS and supporting work papers in Excel format with the formulas intact and unprotected.

5. Refer to the Willhite Testimony, page 8, lines 21–26. Mr. Willhite is proposing that a separate tariff be established for schools with average monthly demands greater than 50 kW. In preparing his COSS, Mr. Willhite established a separate class for schools with annual maximum demands greater than 100 kW. Explain how average monthly demand of greater than 50 kW was chosen for the proposed separate tariff and why annual maximum demand of greater than 100 kW was used in Mr. Willhite’s COSS.

6. Refer to the Willhite Testimony, page 9.

a. Refer to line 25. Explain why Rate EH should be increased by no greater than the percentage increase in Rate DS.

b. Refer to lines 36–37. Explain why Rate SP should produce a rate of return no greater than Rate DS.

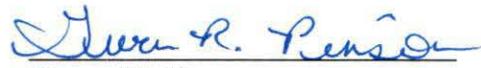
7. Refer to RLW Exhibit 3.

a. Outside of the tariff title, explain how the tariff as proposed by Mr. Willhite would exclude non-school customers from taking service under the tariff.

b. Explain the rationale for setting out the energy charges as block rates.

c. Explain why the second energy charge is measured as “kWh/kW”.

d. Explain why the “First 6,000 kWh” and “Additional kWh” are not billed in relation to demand.



Gwen R. Pinson  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED JAN 16 2018

cc: Parties of Record

Case No. 2017-00321

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